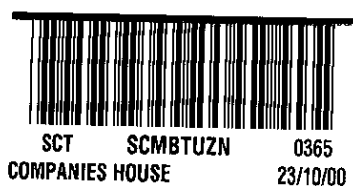


**Dawson International Overseas Investments Limited**  
**Directors' report and financial statements**  
**1 January 2000**

**Registered Number : 54675**



# **Dawson International Overseas Investments Limited**

## **Directors' report and financial statements**

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# **Dawson International Overseas Investments Limited**

## **Directors' report**

The Directors present their annual report and the audited financial statements for the financial year ended 1 January 2000.

### **Business review**

The company is an intermediate holding company in the Dawson International PLC group.

### **Directors**

The directors that held office during the year were as follows:-

KAC Swinley	(Resigned 1 September 1999)
P Munn	
M Cubitt	(Appointed 1 September 1999)

In accordance with the Articles of Association Mr P Munn retires and, being eligible, offers himself for re-election.

### **Directors' interests**

(a) Neither of the directors had any interest in the shares of the company.

(b) The interests of P Munn and M Cubitt in the shares of Dawson International PLC are disclosed in the financial statements of that company.

### **Year 2000**

The Company can confirm that, to date, no disruption associated with the Year 2000 issue has been experienced. While conscious that potential disruptions associated with the Year 2000 issue remain, the Company is confident that its preparations have minimised this risk.

### **Auditors**

On the 17 July 1998, an elective resolution was passed in accordance with Section 386 of the Companies Act 1985, dispensing with the obligation to appoint auditors annually.

On behalf of the board



M Cubitt  
Director

Lochleven Mills  
Kinross  
17 October 2000

## **Dawson International Overseas Investments Limited**

### **Directors' responsibilities for the financial statements**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to select suitable accounting policies and to apply them consistently, making judgements and estimates that are reasonable and prudent. They should state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

# **Dawson International Overseas Investments Limited**

## **Report of the auditors**

### **To the members of Dawson International Overseas Investment Limited**

We have audited the financial statements on pages 4 to 9

#### *Respective responsibilities of directors and auditors*

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

#### *Basis of opinion*

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### *Opinion*

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 1 January 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*

**KPMG Audit Plc**  
Chartered Accountants  
Registered Auditor

Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EG  
17 October 2000

# Dawson International Overseas Investments Limited

## Profit and loss account

for the financial period ended 1 January 2000

		52 weeks to 1 January 2000 £000s	52 weeks to 2 January 1999 £000s
	<i>Note</i>		
Income from shares in group undertakings		95	0
<b>Profit on ordinary activities before taxation</b>		95	0
Taxation charge	4	0	0
<b>Retained profit for the financial year</b>		95	0
Retained profit brought forward		152	152
<b>Retained profit carried forward</b>		<u>247</u>	<u>152</u>

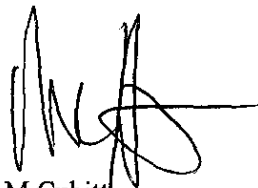
No gains or losses have been recognised since the last annual report other than the results detailed above.

# Dawson International Overseas Investments Limited

## Balance sheet at 1 January 2000

	<i>Note</i>	<b>1 January 2000 £000</b>	<b>2 January 1999 £000</b>
<b>Fixed assets</b>			
Investments	5	8	8
<b>Current assets</b>			
Debtors	6	239	144
<b>Net assets</b>		<u>247</u>	<u>152</u>
<b>Share capital and reserves</b>			
Called up share capital	7	0	0
Profit and loss account		247	152
<b>Equity shareholder's funds</b>		<u>247</u>	<u>152</u>

These financial statements were approved by the board of directors on 17 October 2000 and were signed on its behalf by:



M Cubitt  
Director

## **Dawson International Overseas Investments Limited**

### **Reconciliation of movements in equity shareholder's funds** for the financial period ended 1 January 2000

	<b>52 weeks to 1 January 2000 £000s</b>	<b>52 weeks to 2 January 1999 £000s</b>
Profit for the financial period	95	0
Equity shareholder's funds at beginning of period	152	152
Equity shareholder's funds at end of period	<u>247</u>	<u>152</u>



# **Dawson International Overseas Investments Limited**

## **Notes to the financial statements**

### **1. Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### **1.1 Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The Company does not operate to a calendar month end accounting timetable. These financial statements are drawn up for the 52 weeks ended 1 January 2000 and the comparative figures are in respect of the 52 weeks ended 2 January 1999.

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly-owned subsidiary.

Consolidated financial statements are not prepared since the company is a wholly-owned subsidiary of Dawson International PLC.

Separate disclosures relating to transactions and balances with companies in the Dawson International Plc group in terms of Financial Reporting Standard 8 are not made since the company has taken advantage of the exemption contained in paragraph 3(c) of the standard.

#### **1.2 Taxation**

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for the deferred tax only to the extent that it is probable an actual liability will crystallise.

#### **1.3 Foreign currencies**

Assets and liabilities denominated in foreign currencies are translated to sterling at the rates ruling at the balance sheet date. Income and expenditure has been converted at rates approximating to the rates ruling at the date of the relevant transaction.

### **2. Directors' remuneration**

The directors received no remuneration during this or the preceding financial period.

### **3. Auditors' remuneration**

Auditors' remuneration for this and the preceding financial period has been borne by a fellow subsidiary undertaking.

# Dawson International Overseas Investments Limited

## Notes to the financial statements

	52 weeks to 1 January 2000 £000s	52 weeks to 2 January 1999 £000s
<b>4. Taxation</b>		
UK corporation tax at 30.25%(1998:31%)	0	27
	<u>0</u>	<u>27</u>

	1 January 2000 £000	2 January 1999 £000
<b>5. Investments</b>		
(a) These comprise		
Shares in subsidiary undertakings (see note 5 (b))		
<i>Cost</i>		
At beginning and end of year	9	9
<i>Provisions</i>		
At beginning and end of year	1	1
Net book value	<u>8</u>	<u>8</u>

(b) The entire equity share capital of the undernoted companies is owned by the company:

	Country of incorporation/ registration
Dawson International (South East Asia) Limited	Hong Kong
Weartex A.G.	Switzerland

Dawson International (South East Asia) Limited is engaged in the sourcing and distribution of Chinese cashmere sweaters and in the sourcing of cashmere raw materials. Weartex AG is dormant.

# Dawson International Overseas Investments Limited

## Notes to the financial statements

### 5. Investments (continued)

- (c) In the opinion of the directors, the aggregate value of the assets of the company's investments, consisting of shares in, or amounts owing from, the company's subsidiaries is not less than the aggregate of the amounts at which those assets are stated in the balance sheet.

	1 January 2000 £000	2 January 1999 £000
6. Debtors		
Due within one year		
Owed by group undertakings	239	144

	1 January 2000 £	2 January 1999 £
7. Share capital		
<i>Authorised</i>		
100 ordinary shares of £1 each	100	100
<i>Allotted, called up and fully paid</i>		
2 ordinary shares of £1 each	2	2

### 9. Ultimate parent undertaking

The company is a wholly owned subsidiary of Dawson International PLC, a company incorporated in Great Britain and registered in Scotland. The consolidated financial statements of Dawson International PLC are available to the public and may be obtained from Lochleven Mills Kinross, KY13 8GL.